



Lakeland HealthCare  
Medical Excellence. Compassionate Care.

Mike Hanson  
Community College Assn

May 18, 2015

To Whom It May Concern:

It has come to my attention that Lake Michigan College is interested in supporting the Registered Nurse profession by adding a BSN completion program to their curriculum. Please accept this letter as evidence of my support. As the Vice President for Patient Care Services and the Chief Nursing Executive for Lakeland Regional Health System, I am excited that Lake Michigan College is demonstrating its commitment to health care excellence for our community in such a proactive manner.

Lakeland is the largest employer in our community. It is also the largest healthcare system in the region, so our ability to provide excellent healthcare to the citizens of our community is vitally important. We are continually striving to enhance the skill sets and abilities for our associates. The majority of our registered nurses are graduates of Lake Michigan College who graduate with an Associate's Degree in Nursing. This is an entry level credential. Having a BSN completion program at Lake Michigan College would add to their knowledge base, enhance critical thinking abilities and provide for safer care.

I fully support the BSN completion program at Lake Michigan College. This is a needed program in Southwest Michigan. I am available to answer any questions you may have.

Sincerely,

Dr. Eileen Willits  
Vice President Patient Care Services & CNE  
1234 Napier Avenue  
St. Joseph, MI 49085  
(269) 983-8133  
[www.lakelandhealth.org](http://www.lakelandhealth.org)

# GOGEBIC

## COMMUNITY COLLEGE

E4946 Jackson Road  
Ironwood, Michigan 49938

(906) 932-4231 or (800) 682-5910  
[www.gogebic.edu](http://www.gogebic.edu)

May 18, 2015

Honorable Wayne Schmidt, Chairperson, & Committee Members  
State Senate Committee on Commerce  
Michigan State Senate  
Lansing, Michigan 48909

Dear Chairperson Schmidt & Committee Members

This correspondence is in regards to Senate Bill 98, the Community College Baccalaureate Bill, or as I like to refer to it, "The Options in Developing Michigan's Workforce Bill." By way of introduction, my name is James Lorensen, and I am the President of Gogebic Community College (GCC), located in Ironwood—on the far western edge of Michigan's Upper Peninsula. GCC supports the passage of SB 98, and this correspondence is intended to provide testimony accordingly.

Gogebic is one of the state's 28 public community colleges, and very likely serves the most rural region; five of the counties we serve are among Michigan's most rural, as measured by population density, and have been classified as economically disadvantaged. We are a comprehensive community college, offering academic transfer and occupational programming, community services, and student support services. Our student population is 54% non-traditional aged, 62% female, 41% part-time, has an average age of 23 years, and over 65% of our students qualify for financial aid. About 42% of our students are enrolled in occupational programs and 37% in academic transfer programs. Our graduation and retention rates exceed the state and regional averages and last year nearly 99% of the respondents in our annual graduate survey indicated that they had achieved their post-secondary goal and would recommend Gogebic to others. For the past two years we have experienced increases in enrollment of about 2.5% annually.

The nearest Michigan four-year college and university is 2 ½ hours away, Michigan Technological University (MTU)—we measure distance in the Upper Peninsula by time; Northern Michigan University (NMU) is just over 3 hours distant. In neighboring Wisconsin, the nearest public baccalaureate granting institutions are 2 ½ hours distant. With the barriers of work, distance, weather, family, etc., none are reasonable daily commutes.

The region we serve, besides being rural, is economically disadvantaged, has a median family income 30% below the state-wide average, and lacks consistent broadband capability, which is a significant barrier to online learning.

Honorable Wayne Schmidt, Chairperson, & Committee Members  
SB 98, Senate Committee on Commerce, May 18, 2015

Honorable Wayne Schmidt, Chairperson, & Committee Members  
State Senate Committee on Commerce  
May 18, 2015  
Page 2

Please know that this testimony is not intended, nor should be construed, to criticize or otherwise diminish the good work of our 4-year college and university partners. I do not see this legislation as pitting community colleges vs 4 year colleges and universities, rather as I alluded to earlier, an opportunity to further enhance Michigan's workforce development. GCC has strong partnerships and experiences high levels of cooperation and collaboration with the UP's college and universities. But like us, it is not easy for any of the region's postsecondary institutions to meet everyone's needs

Through GCC's long-standing partnerships with regional health care providers in support of our Allied Health Programs, we have identified that the demand for BSN credentialed nurses is a current and increasing need. Changes in the health care field are driving the change to a higher level entrance credential; the demand for BSN's is not expected to diminish. In an effort to address this demand, early in 2013 we asked NMU to assist us by locating a BSN completion program on our campus. Based on workforce surveys, we believed then, and still believe, that there is sufficient interest and numbers to support a BSN program locally. NMU did express interest in working with GCC to satisfy this workforce need, but a program has not yet been made available. I recognize that institutions have conflicting and often competing priorities, but 2 years later the need for BSN's remains unanswered.

SB 98 also includes baccalaureate degree authority for our Ski Area Management Program, one of three such programs in the country, and the only one that maintains and operates two winter recreation facilities as learning laboratories. Currently we have an articulation agreement for a bachelor's completion program for this program in place with NMU, but distance remains a barrier. What would be helpful in this program and for other occupational programs is a business oriented bachelor's completion program, a "management toolbox." This would help prepare future entrepreneurs, those interested in striking out on their own, or those going to work for others and wanting to progress in their field.

In GCC's perfect world, these baccalaureate completion programs would be offered on GCC's campus by one of our 4-year college and university partners. But I also realize that this can be difficult for a number of reasons, and, again, no organization can be everything to everyone. Yet, the workforce needs remain. Select community college baccalaureate programs provide another option in meeting student goals and workforce needs.

GCC is not interested in becoming a full 4-year college, nor are we interested in tearing down the collaboration the UP colleges and universities have built up. Similarly, I do not believe the impact on transfer, that is, significantly reduced numbers of students transferring between our institutions, will

SB 98, Senate Committee on Commerce, May 18, 2015

Honorable Wayne Schmidt, Chairperson, & Committee Members  
State Senate Committee on Commerce  
May 18, 2015  
Page 3

occur. GCC's primary Michigan transfer institutions will remain MTU and NMU—I do not see that changing. In the western Upper Peninsula, because of the distances involved and student demographics, the students for which the community college baccalaureate provides opportunities are those who would not be able to travel to 4 year colleges and universities because of the barriers of family, work, time, cost, and weather. These are folks that the 4-year colleges and universities are not getting now, but would further their higher education if opportunities were available to them.

Lastly, I do want to reiterate, GCC's interest is in broadening student opportunities and strengthening our regional and state-wide workforce, not diminishing or replacing our 4-year partners. While I cannot speak to all of Michigan, I can tell you that the UP colleges and universities work well together and communicate frequently. But, none of us can be everything to everyone. It is my belief that the community college baccalaureate, while not necessarily needed by every community college in Michigan, does offer additional opportunities to create a more educated workforce, responds to workplace demands, and address issues of college access and affordability. Given Michigan's goal to strengthen its economy by creating a more educated workforce, and utilizing that talent as an economic driver, the community college baccalaureate is one more option available to move us closer to attaining that goal. From my perspective we ought to seriously consider every option and opportunity to create a better prepared workforce and economic strength.

Thank you for your time and consideration.  
FOR GOGEBIC COMMUNITY COLLEGE



James A. Lorensen  
President  
(906) 932-4231, extension 200

Copies To: Hon. Tom Casperson, Michigan State Senator—38<sup>th</sup> District  
Hon. Mike Shirkey, Michigan State Senator—16<sup>th</sup> District (Bill Sponsor)  
Hon. Scott Dianda, Michigan State Representative—110<sup>th</sup> District  
Erin Schor/Mike Hansen, Michigan Community College Association  
Matt Kurta, Karoub & Associates

SB 98, Senate Committee on Commerce, May 18, 2015



October 6, 2014

To Whom It May Concern:

I am writing in support of allowing community colleges the ability to offer baccalaureate degrees in the science of nursing (BSN) particularly Lake Michigan College in Benton Harbor and South Haven, Michigan.

The profession of nursing has been trying since 1986 to make the BSN the minimum entry point into nursing. It is the nurse who is at the bedside spending the most time with patients out of all the disciplines involved in the patient care. Nursing education is associated with patient safety and patient outcomes and yet, in certain settings, the nurse remains the least educated on the patient care team.

Please feel free to contact me if you have any further questions.

Sincerely,

A handwritten signature in dark ink, appearing to read "Joanne Urbanski", with a large, stylized initial "J" and "U".

Joanne Urbanski, RN MSN, MHA  
President/CEO South Haven Health System

Table 7. First-Time, U.S.-Educated Candidates Taking the NCLEX-RN® Examination by Degree Type (Jan. 1 – Dec. 31, 2013)

Jurisdiction	RN-Diploma			RN-Baccalaureate			RN-Associate Degree			RN-Special Program Codes			Total Jan. 1 – Dec. 31, 2013		
	Candidates	Passed	%	Candidates	Passed	%	Candidates	Passed	%	Candidates	Passed	%	Candidates	Passed	%
ALABAMA	0			1,411	1,248	88.4	2,043	1,621	79.3	0			3,454	2,869	83.1
ALASKA	0			100	84	84.0	99	83	83.8	1	1	100.0	200	168	84.0
AMERICAN SAMOA	0			0			2	1	50.0	0			2	1	66.7
ARIZONA	0			1,033	915	88.6	1,877	1,653	88.1	0			2,910	2,568	88.2
ARKANSAS	224	193	86.2	582	514	88.3	971	828	85.3	0			1,777	1,535	86.4
CALIFORNIA – RN	0			4,905	4,048	82.5	6,161	5,252	85.2	22	17	77.3	11,088	9,317	84.0
COLORADO	0			1,236	1,096	88.7	856	724	84.6	0			2,092	1,820	87.0
CONNECTICUT	95	88	92.6	890	792	89.0	731	628	85.9	2	2	100.0	1,718	1,510	87.9
DELAWARE	17	14	82.4	214	171	79.9	317	267	84.2	0			548	452	82.5
DISTRICT OF COLUMBIA	0			281	214	76.2	103	51	49.5	0			384	265	69.0
FLORIDA	0			2,565	2,246	87.6	8,706	6,406	73.6	1	1	100.0	11,272	8,653	76.8
GEORGIA – RN	0			1,895	1,630	86.0	1,781	1,505	84.5	0			3,676	3,135	85.3
GUAM	0			3	3	100.0	23	19	82.6	0			26	22	84.6
HAWAII	0			387	294	76.0	212	165	77.8	0			599	459	76.6
IDAHO	0			323	293	90.7	447	385	86.1	0			770	678	88.1
ILLINOIS	19	12	63.2	3,251	2,822	86.8	3,126	2,601	83.2	1	1	100.0	6,397	5,436	85.0
INDIANA	66	51	77.3	2,116	1,824	86.2	2,130	1,700	79.8	0			4,312	3,575	82.9
IOWA	0			566	497	87.8	1,648	1,324	80.3	0			2,214	1,821	82.2
KANSAS	0			868	727	83.8	1,186	894	75.4	0			2,054	1,621	78.9
KENTUCKY	0			996	916	92.0	1,763	1,458	82.7	1	0	0.0	2,760	2,374	86.0
LOUISIANA – RN	28	28	100.0	1,218	1,072	88.0	940	802	85.3	0			2,186	1,902	87.0
MAINE	0			410	343	83.7	329	268	81.5	1	0	0.0	740	611	82.6
MARYLAND	0			1,234	945	76.6	1,673	1,394	83.3	0			2,907	2,339	80.5
MASSACHUSETTS	87	63	72.4	2,155	1,819	84.4	1,513	1,228	81.2	0			3,755	3,110	82.8
MICHIGAN	0			2,206	1,915	86.8	2,807	2,407	85.7	1	0	0.0	5,014	4,322	86.2
MINNESOTA	0			1,204	984	81.7	1,973	1,575	79.8	0			3,177	2,559	80.5
MISSISSIPPI	0			518	435	84.0	1,352	1,097	81.1	0			1,870	1,532	81.9
MISSOURI	60	54	90.0	2,061	1,804	87.5	1,551	1,343	86.6	0			3,672	3,201	87.2

Table 7. First-Time, U.S.-Educated Candidates Taking the NCLEX-RN® Examination by Degree Type (Jan. 1 - Dec. 31, 2012)

Jurisdiction	RN-Diploma			RN-Baccalaureate			RN-Associate Degree			RN-Special Program Codes			Total Jan. 1 - Dec. 31, 2012		
	Candidates	Passed	%	Candidates	Passed	%	Candidates	Passed	%	Candidates	Passed	%	Candidates	Passed	%
ALABAMA	0			1,419	1,305	92.0	1,983	1,770	89.3	0			3,402	3,075	90.4
ALASKA	0			107	98	91.6	95	85	89.5	0			202	183	90.6
AMERICAN SAMOA	0			0			3	1	33.3	0			3	1	66.7
ARIZONA	0			968	921	95.1	1,823	1,703	93.4	0			2,791	2,624	94.0
ARKANSAS	207	182	87.9	653	599	91.7	893	775	86.8	0			1,753	1,556	88.8
CALIFORNIA – RN	0			4,658	4,159	89.3	6,082	5,500	90.4	18	17	94.4	10,758	9,676	89.9
COLORADO	0			1,076	997	92.7	890	815	91.6	1	0	0.0	1,967	1,812	92.1
CONNECTICUT	170	162	95.3	702	666	94.9	712	628	88.2	0			1,584	1,456	91.9
DELAWARE	18	18	100.0	215	177	82.3	300	266	88.7	0			533	461	86.5
DISTRICT OF COLUMBIA	0			289	245	84.8	78	54	69.2	0			367	299	81.5
FLORIDA	0			2,473	2,305	93.2	7,445	6,183	83.0	0			9,918	8,488	85.6
GEORGIA – RN	0			1,813	1,697	93.6	1,797	1,652	91.9	0			3,610	3,349	92.8
GUAM	0			6	6	100.0	22	20	90.9	0			28	26	92.9
HAWAII	0			417	332	79.6	177	157	88.7	0			594	489	82.3
IDAHO	0			312	284	91.0	442	385	87.1	0			754	669	88.7
ILLINOIS	27	23	85.2	2,985	2,737	91.7	3,064	2,765	90.2	1	0	0.0	6,077	5,525	90.9
INDIANA	70	55	78.6	1,905	1,795	94.2	2,227	1,900	85.3	0			4,202	3,750	89.2
IOWA	0			596	551	92.4	1,524	1,362	89.4	0			2,120	1,913	90.2
KANSAS	0			810	745	92.0	1,126	952	84.5	0			1,936	1,697	87.7
KENTUCKY	0			949	895	94.3	1,874	1,701	90.8	0			2,823	2,596	92.0
LOUISIANA – RN	30	30	100.0	1,208	1,132	93.7	1,004	925	92.1	0			2,242	2,087	93.1
MAINE	0			375	333	88.8	315	290	92.1	0			690	623	90.3
MARYLAND	0			1,205	1,041	86.4	1,712	1,563	91.3	0			2,917	2,604	89.3
MASSACHUSETTS	95	88	92.6	1,892	1,749	92.4	1,530	1,355	88.6	0			3,517	3,192	90.8
MICHIGAN	0			2,157	2,000	92.7	2,828	2,582	91.3	1	1	100.0	4,986	4,583	91.9
MINNESOTA	0			1,230	1,118	90.9	2,020	1,753	86.8	0			3,250	2,871	88.3
MISSISSIPPI	0			522	482	92.3	1,263	1,154	91.4	1	1	100.0	1,786	1,637	91.7
MISSOURI	44	43	97.7	2,016	1,897	94.1	1,548	1,431	92.4	0			3,608	3,371	93.4

Table 7. First-Time, U.S.-Educated Candidates Taking the NCLEX-RN® Examination by Degree Type (Jan. 1 - Dec. 31, 2011)

Jurisdiction	RN-Diploma			RN-Baccalaureate			RN-Associate Degree			RN-Special Program Codes			Total Jan. 1 - Dec. 31, 2011		
	Candidates	Passed	%	Candidates	Passed	%	Candidates	Passed	%	Candidates	Passed	%	Candidates	Passed	%
ALABAMA	0			1,363	1,237	90.8	1,973	1,713	86.8	0			3,336	2,950	88.4
ALASKA	0			102	87	85.3	86	74	86.0	0			188	161	85.6
AMERICAN SAMOA	0			0			3	2	66.7	0			3	2	66.7
ARIZONA	0			927	852	91.9	1,894	1,724	91.0	0			2,821	2,576	91.3
ARKANSAS	225	195	86.7	573	496	86.6	856	739	86.3	0			1,654	1,430	86.5
CALIFORNIA – RN	0			3,872	3,413	88.1	6,739	5,953	88.3	22	14	0.6	10,633	9,380	88.2
COLORADO	0			1,066	966	90.6	867	763	88.0	0			1,933	1,729	89.4
CONNECTICUT	165	150	90.9	628	587	93.5	674	607	90.1	7	7	1.0	1,474	1,351	91.7
DELAWARE	29	26	89.7	254	215	84.6	273	234	85.7	0			556	475	85.4
DISTRICT OF COLUMBIA	0			251	220	87.6	82	57	69.5	0			333	277	83.2
FLORIDA	0			2,201	2,014	91.5	5,915	5,135	86.8	2	0	0.0	8,118	7,149	88.1
GEORGIA – RN	0			1,845	1,673	90.7	1,541	1,379	89.5	0			3,386	3,052	90.1
GUAM	0			18	16	88.9	7	6	85.7	0			25	22	88.0
HAWAII	0			408	331	81.1	184	155	84.2	2	1	0.5	594	487	82.0
IDAHO	0			276	259	93.8	411	366	89.1	0			687	625	91.0
ILLINOIS	24	21	87.5	2,620	2,328	88.9	3,024	2,627	86.9	6	4	0.7	5,674	4,980	87.8
INDIANA	77	61	79.2	1,783	1,604	90.0	2,297	1,862	81.1	0			4,157	3,527	84.8
IOWA	0			647	566	87.5	1,438	1,233	85.7	0			2,085	1,799	86.3
KANSAS	0			843	747	88.6	1,160	1,001	86.3	0			2,003	1,748	87.3
KENTUCKY	0			921	854	92.7	1,775	1,571	88.5	0			2,696	2,425	89.9
LOUISIANA – RN	28	28	100.0	1,162	1,053	90.6	1,104	1,001	90.7	0			2,294	2,082	90.8
MAINE	0			333	290	87.1	380	352	92.6	1	1	1.0	714	643	90.1
MARYLAND	0			1,108	917	82.8	1,549	1,365	88.1	0			2,657	2,282	85.9
MASSACHUSETTS	102	87	85.3	1,949	1,709	87.7	1,589	1,416	89.1	5	4	0.8	3,645	3,216	88.2
MICHIGAN	0			2,150	1,942	90.3	2,917	2,560	87.8	4	3	0.8	5,071	4,505	88.8
MINNESOTA	0			1,103	967	87.7	2,027	1,712	84.5	3	2	0.7	3,133	2,681	85.6
MISSISSIPPI	0			477	418	87.6	1,427	1,240	86.9	0			1,904	1,658	87.1
MISSOURI	46	44	95.7	1,841	1,698	92.2	1,526	1,336	87.5	3	2	0.7	3,416	3,080	90.2
MONTANA	0			195	178	91.3	223	176	78.9	0			418	354	84.7
NEBRASKA	0			798	734	92.0	389	330	84.8	0			1,187	1,064	89.6



# Issue Brief: The Career Readiness Gap

## Challenges of Career Readiness and Awareness in Southeast Michigan

### Executive Summary

Southeast Michigan's economy is beginning to show signs of recovery after unprecedented economic upheaval. However, the long-term sustainability of that recovery is under threat due to inadequate pipelines of students and workers participating in many of the region's most in-demand careers. Southeast Michigan's talent development systems<sup>1</sup> should be supported by effective state and federal policies to enable practices that yield a robust and skilled talent pool for employers. In its current state, the region has students and jobseekers who are not aware of and/or prepared for career opportunities, or do not know where to go for additional education or training. Educational and training programs are not currently aligned with

employer needs. Employers are often not actively engaged in preparing the workforce of the future. Policymakers do not know if programs and policies are working, and current policies and strategies emphasize educational attainment but lack the ability to reasonably prepare individuals for the workforce. The career readiness revolution is starting, but there is much that still needs to be accomplished. As stakeholders in Southeast Michigan continue to learn about best practices from around the country and build upon the data-and-employer driven approaches they are testing locally, everyone has a role to play and must invest the time and energy to ensure success. Failing to act could prove costly to the Michigan economy.

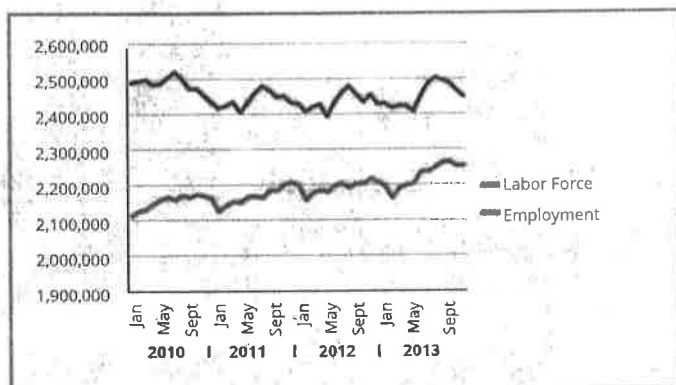
### Developing Recommendations

WIN will hold policy town hall meetings in fall 2014 to develop recommendations to address the career readiness gap. Each town hall meeting will address a different targeted audience where policy solutions may be relevant (employers, students and jobseekers, policymakers, educators, etc). WIN will release updates regarding the recommendations as they become available. If your organization would like to host a policy town hall, please contact Tricia Walding via phone at 313.744.6710 or via e-mail at [tricia.walding@win-semich.org](mailto:tricia.walding@win-semich.org).

<sup>1</sup> Includes colleges, Michigan Works! Agencies, universities, etc.

## Current State of Affairs–Talent Demand

After more than a decade of upheaval, Southeast Michigan's economy is showing clear evidence of recovery. Unemployment has fallen from 19% in 2009 to roughly 8% in 2014, with projections of around 5-6% by 2016. After more than 10 years of declining labor force participation, the number of individuals working or looking for work has stabilized across the region and now is beginning to increase. Labor demand from employers is on the rise as well. In many sectors, demand far outpaces the supply of skilled talent.



The current challenge to the economic recovery and employer success in Southeast Michigan is a lack of career ready applicants. The Southeast Michigan talent ecosystem currently includes:

- **Students and jobseekers** who are not aware of career opportunities and/or do not know where they can learn more.
- **Students and jobseekers** who are not prepared for career opportunities and/or do not know where to go for additional education or training.
- **Educational and training programs** that are not aligned with employer needs.
- **Employers** who are not directly engaged in preparing the workforce of the future.
- **Policymakers** who do not know if programs and policies are working.
- **Current policies and strategies** that emphasize educational attainment but not preparation for the workforce.

Southeast Michigan's economic upheaval began more than 15 years ago, but from 2001 to 2009, the region lost almost 300,000 jobs, 73% in manufacturing. Recently, the region's employment base has started to recover at a faster rate than almost any other region in the country. Employers have reacted and adjusted

to the dramatic shifts in employment and technology, which have revealed new, and perhaps surprising, opportunities for Southeast Michigan's job seekers.

After a slow start in the first half of 2013, job demand climbed above 2012 levels. In 2013, the top jobs in-demand included occupations that required both high levels of education and training, and those that do not. Software developers for applications, retail salespersons, and registered nurses top the list of in-demand occupations in 2013<sup>2</sup>. Of the more than 374,000 postings in 2013, 56% are in high demand clusters of information technology, advanced manufacturing (engineers & designers and skilled trades & technicians), health care, and retail and hospitality. Postings for jobs in information technology now exceed<sup>3</sup> those for engineering, production, or health care jobs. Many of these jobs are not in core IT firms, but instead driven by new technological demands from the automotive, health care, and finance industries.

Early indicators show that this increase is a result of increased economic activity, and employers have even greater demand for a highly skilled and knowledgeable workforce. New job opportunities increasingly require skills and credentials of a more specialized nature, mainly due to technological changes. Many employers with an interest in talent development understand that to fulfill current and future gaps, we must look to cultivating and growing our own career-ready workforce.

IT and Engineering are among the most difficult to hire. According to CareerBuilder, a "hiring indicator" of 0 means a job is impossible to fill, while an indicator of 100% means it is extremely easy to fill. The hiring indicator for skilled trades is 39, for engineering is 32, and for IT is 24. This means these occupations are quite difficult to fill.

Occupational Clusters	% of total job postings
Information Technology	11.75%
Advanced Manufacturing	9.88%
Skilled Trades and Technicians	3.04%
Engineers and Designers	6.84%
Health Care	10.75%
Retail and Hospitality	24.14%

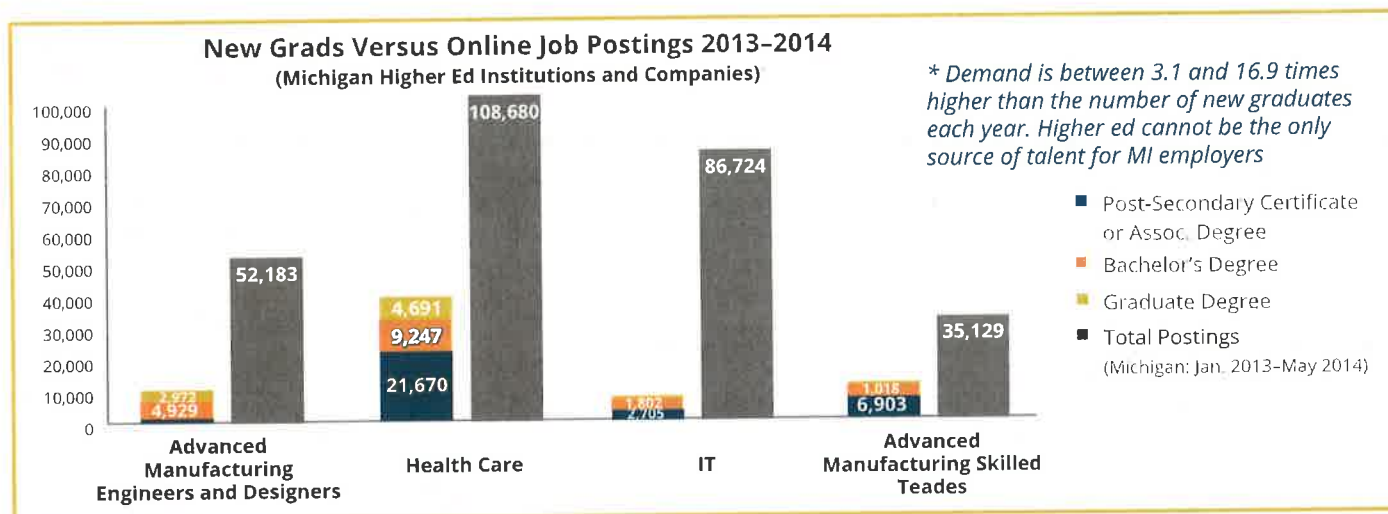
<sup>2</sup> A list of the top 30 occupations in demand for 2013 is included at the end of the document.

<sup>3</sup> Based on real-time job posting data from Burning Glass Technologies.



## Current State of Affairs–Supply

With the increase in job demand, an increase in supply is needed, but a lack of awareness and career readiness plagues students and job applicants in the region. High school students must meet state and federal requirements for education, leaving little time for career awareness and preparation. The student-to-counselor ratio in the region is 600 students to every one counselor. These counselors must prioritize mental health and well-being of students before career counseling, leaving most students sorely lacking for career awareness and advice that would help steer them toward in-demand careers.



**Students are not enrolling at sufficient rates in educational courses, programs, or training in many high-demand fields, such as IT, engineering, and the skilled trades.** Though the community welcomes the return of new jobs post-recession, many within the region are not familiar with in-demand jobs and how to access those opportunities. The manufacturing legacy and recent employment decline have reinforced a negative perception of the industry—and the perception that jobs related to manufacturing, including the auto industry, are low-tech, low-skilled, dirty, or unstable. These perceptions have served as a deterrent for students, parents and teachers, who may not look toward manufacturing as a viable career choice. Many of the most in-demand jobs are related to STEM fields, yet beyond some health care positions that remained stable through the recession, most students and jobseekers lack exposure to, and are generally unfamiliar with, viable, in-demand career opportunities. Therefore, they are unable to make informed educational choices. This has resulted in low enrollment in these programs.

**Not only is there a deficiency of students interested in high-demand industries, but there is a shortfall in the number of individuals completing degrees or certifications relative to the employer demand for workers with various levels of education.** Online job postings between January 2013 and May 2014 in Michigan showed a need for nearly 47,000 engineering and design workers with bachelor degrees, but only

5,000 degrees were awarded in the state in these areas of study. Similar trends are present in the other industries tracked; with IT postings for bachelor degrees exceeding 72,000, with only 1,800 graduates attaining this degree. In health care, almost 31,000 postings indicated a requirement for a graduate degree, but degree attainment for this level of education was below 5,000 completions<sup>4</sup>.

**Employers are looking for experienced workers, yet jobseekers typically do not have the opportunity to gain that necessary experience while they are in training or in school.** High unemployment rates and delayed retirements have pushed back first-time or transitional employment for many jobseekers. Particularly troubling is the region's decrease in youth employment over the past 10 years. Employment of the areas 16-19 year olds dropped 18.7% from 2000-2012, from 46.1% to 27.4% in 2012. For the 20-24 year old age bracket in the Metro Detroit area, employment dropped from 70.8% of individuals to 62.3%, putting the area in the 78th percentile, or worst 22% of regions in the U.S. for the age group. Brookings Institute Research shows that young people are more likely to persist in their education, both through high school and into college, if they see the relevance of their academic experience to real-world work experience.

**Leaky pipelines, particularly around career transition, cause disruptions in talent development.**

<sup>4</sup> Note: Online job postings may include more than one degree requirement, resulting in a duplication of the number of postings requiring a specific degree. Online job postings do not consistently indicate the degree level requirements.

Some individuals may drop out of training due to lack of a full awareness of real career opportunities and because of the difficulty in navigating the transitions between K-12, higher education, and workforce systems.

**Talent systems must be supported in their efforts to be sustainable and accountable.** Certain state and federal policies can enable or prevent the systems from accurately tracking career readiness success.

**Critical pathways that give students experience, like Career & Technical Education, are often perceived as “alternative track,” not for the college bound.** While these programs give students critical exposure to real-world career opportunities and skills, the programs are often undervalued, overlooked and avoided because they do not align sufficiently with the focus on college readiness.

## Future State of Affairs: Things Will Only Get Worse

**We will have fewer overall workers in the future, no matter what we do.** In the United States, every day there are 10,000 new baby boomers who reach retirement age<sup>5</sup>. This will be the case every day for the next 17 years. In Southeast Michigan, this translates into roughly 158 people per day (58,000 people per year). This will be even more apparent in information technology where 39.7% of the almost 74,000 workers are age 45+ (13.1% are 55+), in health care, where 45.7% of the 244,410 workers are over 45 (20.1% are 55+) and engineering and design, where 51.3% of the 76,000 workers are age 45+ (19.3% are 55+)<sup>6</sup>.

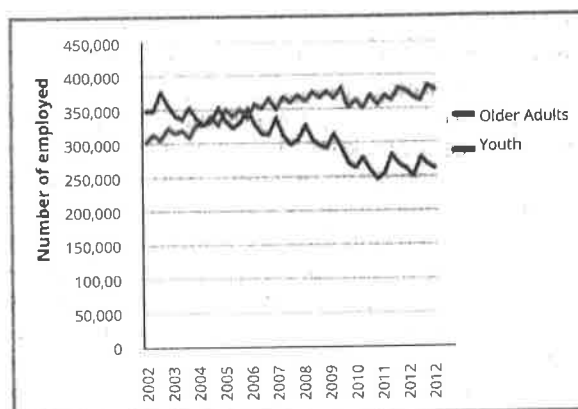
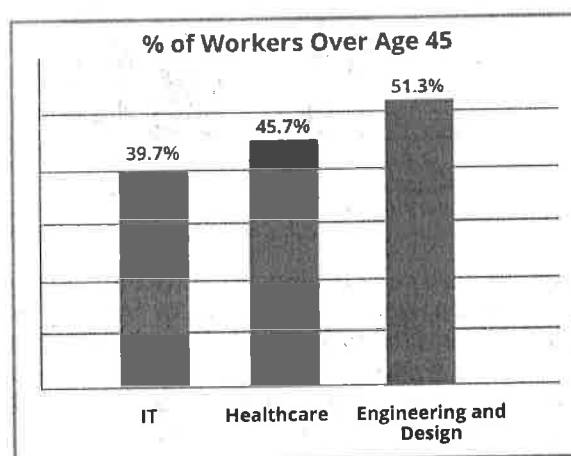
**Lack of education:** By 2018, 63% of job openings nationwide will require at least some college education (56% in 1992). In 2012, 45% of SE MI advanced manufacturing postings called for college education (21% in 2007<sup>7</sup>). Today less than 40% of the SE MI workforce (over age 25) holds a college degree. Another 24% has taken some college coursework<sup>8</sup>.

**The brain drain: Place matters, but jobs matter more.** A 2012 Detroit Regional Chamber study showed that 85% of college grads who left the state left for **career opportunities**, and 38% left for urban experiences. In looking for their next job, 86% of these graduates said they would prefer a job somewhere they would like to live, while 56% said they would simply look for the best job, regardless of location. While there is substantial effort and resource dedicated to educating students about great places to live in Michigan, and sometimes making those places better, there is little emphasis placed on informing the workforce—current and future—about the volume and type of available jobs.

**Career readiness among college graduates:** A McKinsey & Company study from December 2012 concluded that 42% of employers believe new graduates are adequately prepared by their colleges or other pre-employment training programs, and only 45% of new graduates think they are prepared for their jobs. Efforts that emphasize degree attainment are on the right track, but degree-attainment alone is not sufficient to ensure that employers will find the qualities they need in future talent.

**Lack of commitment to youth work experiences:** Fewer than 10% of 2012 Southeast Michigan online job postings asked for candidates with less than one year's work history. For those requesting a four-year degree, fewer than 4% are searching for candidates with less than a year's experience<sup>9</sup>.

Yet, work experiences among youth have been steadily declining. In the last 10 years, employment for youth ages 14-24 fell by 24.5% (85,400 jobs) while employment for older workers age 55+ climbed 25.2% (76,100)—an almost perfect inverse relationship. In fact, older workers compose the only age group that saw an employment increase during the last recession while, at 30%, metro-Detroit's youth unemployment rate is the highest of any metro area in the country. As older workers hang on longer, young people are left behind. They simply are not getting the skills and experience that employers want these days (typically 1-4 years) in the new workers they hire.



<sup>5</sup> Pew Research Center: Baby Boomers Retire. <<http://www.pewresearch.org/daily-number/baby-boomers-retire/>>

<sup>6</sup> Economic Modeling Specialists, Inc. 2013 data.

<sup>7</sup> Based on real-time job posting data from Burning Glass Technologies.

<sup>8</sup> Economic Modeling Specialist Inc.

<sup>9</sup> Based on real-time job posting data from Burning Glass Technologies.





# WORKFORCE INTELLIGENCE NETWORK

## The Bottom Line

Lack of effective career readiness programs could result in continued high levels of youth employment and even fewer workers with the experience needed to perform at the level needed by employers. Without guidance and data regarding careers in high demand, students and jobseekers may choose education programs that do not align with the needs of employers—leading to graduates who are unable to find jobs, and employers who cannot fill in-demand positions.

The Southeast Michigan region is at a pivotal point in economic and workforce development. Retirement rates are expected to increase with economic improvements, further exacerbating the problem, leaving employers struggling to find experienced, competent workers. The continued misalignment of training programs to the actual needs of employers may lead to a long-term talent pipeline issue. Companies may be less likely to fill job openings with individuals who are ready to work, leading to increased needs and costs for on-the-job training and less likelihood that employers will be able to appropriately fill their middle and high skilled openings. In turn, this may lead to less successful companies and

frustrated employers. This could result in a mass exodus of business from the region.

If we invest in career awareness for our middle schoolers, high schoolers, and young college students, Michigan may retain many of the young people and future workers that are projected to leave the state. Current projections from EMSI<sup>10</sup> indicate that the state could lose nearly 250,000 residents between the ages of 10 and 30 by 2023. We have the potential to retain at least 75,000 additional workers by helping students get into high-wage, lucrative careers within the next decade. Based on employer demand projections, not only will employment increase, but the **total income of Michigan families could grow by over \$4 billion dollars**. The additional income translates into roughly \$160 million in additional income tax revenue and over \$200 million in additional sales tax revenue for the state<sup>11</sup>.

The economic recovery of the Southeast Michigan region is not sustainable without changes to the way in which we approach career readiness and awareness.

**Release date**  
June 9, 2014

**Authors**  
Lisa Katz, Executive Director, WIN  
Tricia Walding, Project Manager-Research and Policy, WIN

**Acknowledgements**  
Greg Pitoniak, Southeast Michigan Community Alliance, Co-Chair, WIN Policy  
Denise McNeil, St. Clair County Community College, Co-Chair, WIN Policy

<sup>10</sup> Economic Modeling Specialists, Inc.

<sup>11</sup> Note: 2014 dollars and 2014 effective sales and income tax rates applied.